

PUBLIC DISCLOSURE OF PRUDENTIAL INFORMATION
FOR QUARTER ENDING 31st December 2012
(APRA PRUDENTIAL STANDARD APS 330)

Capital Structure

The Credit Union's regulatory capital is analysed into two tiers:

- Tier 1 capital, which includes general reserves and current year earnings.
- Tier 2 capital, which includes upper tier 2 capital of general reserve for credit losses and asset revaluation reserves, and lower tier 2 capital of subordinated debt.

The Credit Union's regulatory capital position at 30 June 2012 was as follows:

	June 2012
	\$000
Tier 1 Capital	
General reserves	156,052
Current year earnings	16,660
Less: Deferred tax assets	(956)
Less: Intangible assets	(553)
Less: Equity investment in other ADI's	(1,797)
Total	169,406
Tier 2 Capital	
Collective impairment reserve	6,188
Less: Equity investment in other ADI's	(1,797)
Total	4,391
Total regulatory capital	174,064
Capital ratio	16.19%

Capital Adequacy

The Credit Union is required to maintain at least 11% of capital. The Credit Union's policy is to apply a minimum target of 12% capital. A trigger level of 13% has been set by the Board to provide sufficient time for remedial action to be taken.

The Credit Union's regulatory capital position at 31st December 2012 was as follows:

	December
	2012
	\$000
Risk weighted assets	
Credit risk	999,471
Operational risk	137,779
Total risk weighted assets	1,137,250
Tier 1 Capital ratio	15.65%
Total Capital ratio	16.10%

Credit Risk Exposures - Investments

The Credit Union monitors the investment options in the market based on the credit rating of the counter party. An analysis of concentrations of investment credit risk at 31st December 2012 is shown below:

SHORT TERM RATING	NO. OF INSTITUTIONS	DECEMBER 2012 \$000	
A1	5	193,789	
A2	12	381,901	
Unrated (Indue Limited)	1	29,632	Average Balance \$000
Total	18	605,322	569,991

Credit Risk Exposures – Loans and Advances to Members

An analysis of concentrations of loans and advances credit risk as at 31st December 2012 is shown below:

	December 2012 \$000
Past due (>90 days) but NOT impaired	
Carrying amount	2,119
Collectively impaired - mortgage loans	
Carrying amount	-
Collectively impaired – personal loans	
Carrying Amount	529
Overdrawn / Over limit	
Carrying Amount	306
Total impaired loans	835
Neither past due nor impaired	2,050,916
Gross Value of Loans and Advances	2,053,870
Specific provision	(1,524)
General reserve for credit losses	(5,400)
Total Net loans & advances to Members	2,046,946
	December 2012 \$000

Total amount charged to specific provision for the quarter -

Total write offs for the quarter 255

LOANS

The analysis of loans is the value on the financial position. The maximum exposure is the value on the financial position plus the undrawn facilities as at 31st December 2012.

	CARRYING VALUE ON FINANCIAL POSITION \$000	COMMITMENTS \$000	MAXIMUM EXPOSURE \$000	AVERAGE GROSS EXPOSURE THE PERIOD \$000
Housing	1,924,514	82,429	2,006,943	1,870,491
Personal	129,355	1,380	130,735	128,587
Total	2,053,870	83,809	2,137,678	1,999,078

SECURITISATION

Analysis of securitised loans held by the Credit Union as at 31st December 2012.

	DECEMBER 2012 \$000
LOANS SECURITISED DURING THE QUARTER	NIL
TOTAL ON-BALANCE SHEET SECURITISATION EXPOSURES	
Housing	165,766
Total	165,766